1:Stanford U. S-4, 5 1956 AF15 East China
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438 Native Products Company have established
655 branches in the rural areas. The trade volume of state-owned concerns has grown very rapidly. If we take the trade volume of 1950 as 100, the index for 1952 was 397 for the country as a whole. The regional trade of East China was proportionally higher during the same period.[30] According to the first Five Year Plan, as reported by Li Fu-ch'un,[31] the Communists estimate that by 1957 the total volume of trade will be 133.2 per cent over 1952.

State trade is expanding day by day while private trade diminishes. Eight large trading companies in Shanghai have signed contracts with 116 different fields of industry (over 8,000 factories) to purchase commodities for domestic supply and for foreign trade. According to a report in the Ta-kung Daily, Tientsin, at least forty-six industries in great financial difficulty were benefitted by advanced contracts with the eight state trading companies in Shanghai.[32]

B. Co-operative Companies

474 The supply and marketing co-operative in
438 Communist China is a co-operative organization
443 formed under government directives. Its

30. People's China, Peking, Jan. 16, 1954, p. 5.
31. Kung-shang-chieh [Industry and Commerce] Peking, Aug. 10, 1955, No. 8.
32. Ta-kung Pao [Ta-kung Daily], Tientsin, June , 1955.

1:Stanford U. S-4, 5 1956 AF15 East China
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474 capital is made up of shares contributed by
438 members. It supplies members with farm
443 implements, fertilizer, and other daily necessities and markets their agricultural produce and the products of rural industries. The state trading companies and the branches often make advance contracts with the co-operatives by supplying them their products at fixed low prices. The exact number of the supply and marketing co-operatives in the East China area is not known, but a rapid development was certainly carried out during the period 1953-55. Up to the end of the third quarter of 1955, all of the cities of East China had established supply and marketing co-operatives and each hsiang of the region had at least one such co-operative. According to the latest information available, these co-operatives did one quarter of the total national retail trade in 1953, or 18 per cent of the retail trade in cities and 30 per cent in the rural areas; and about 75 per cent of all the purchases made by the co-operatives were on behalf of the state.[33] The percentage of the total retail trade done by these co-operatives must have at least doubled by 1955.

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33. Far Eastern Economic Review, Hong Kong, May 12, 1955, Vol. XVIII, No. 19, p. 597.

1:Stanford U. S-4, 5 1956 AF15 East China AF15

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Table 8.

The Native Products Fairs of East China-1952*
(unit: million Y-Chinese yuan
million $-US dollars)

Name	Locality	Native Products (per cent)	Manufactured Products (per cent)	Total Trade Volume
Hua-tung Fair	Shanghai	64	36	¥1,743,100 ($72.6)
Su-pei Fair	Yang-chow	—	—	¥10,700 ($0.4)
Su-nan Fair (1st)	Wu-hsi	—	—	¥12,000 ($0.5)
Su-nan Fair (2nd)	Wu-hsi	54	46	¥223,000 ($9.3)
Su-nan Fair (3rd)	Wu-hsi	34	66	¥121,000 ($5.1)
Nanking Fair	Nanking	48	52	¥113,000 ($4.7)
Shantung Provincial Fair	Tsinan	—	—	¥187,000 ($7.8)
Shantung Provincial Fair (2nd)	Tsinan	—	—	¥211,000 ($8.8)
Tsingtao Fair	Tsingtao	51	49	¥322,700 ($13.4)
Chekiang Provincial Fair	Hangchow	40	60	¥71,300 ($2.9)
Chekiang Autumn Fair	Hangchow	—	—	¥316,000 ($13.1)
Wan-nan & Wan-pei Fair	Hofei	—	—	¥86,900 ($3.6)
Wu-hu Fair	Wu-hu	—	—	¥55,800 ($2.3)
Fukien Provincial Fair	Foochow	58	42	¥146,100 ($6.1)
Fukien Autumn Fair	Foochow	42	58	¥45,300 ($1.4)
			Total	¥3,666,800 ($ 152.8)

*Ching-chi Chou-pao /Economic Weekly/, Shanghai, May 28, 1953, No. 21, pp. 8-9.

(Table 8 faces p. 873)

434 It is evident that the amounts of rice
146 rationed to various classes of workers are far below normal requirements as measured in terms of calories. With rice in short-supply, the people are often unable to buy their minimum ration.

438 Since 1951, in order to stimulate trade
443 and to facilitate the interflow of commodities between city and country, the Chinese Communists have held a number of "Native Products Fairs" in most of the principal cities throughout East China.

[See table next page -- Analyst]

438 443 The total trade volume of these fairs during 1952 amounted to 3,666 billion yuan in old currency (US$152,800,000) of which the trade fairs in Shanghai accounted for almost half. Shanghai is the main source of supply for most of the daily necessities of the country.

VIII. CONCLUSION

To sum up, commodity movements between the regions of East, North and Central-South China are by railway, coastal shipping, and, to a lesser degree, by inland waterway transportation. The transportation facilities between East and Southwest China are inadequate; only the Yangtze River serves as a means of transportation between the principal East China river port and those of Szechwan Province. Highway and air transportation, as a whole, play only a minor role in the East China Region.

The Ying-t'an--Amoy Railway, which is now under construction, will aid in the development of the lumber and agricultural resources of Fukien Province. The construction of the Ying-t'an--Amoy Railway in East China, like that of the Li-t'ang--Chan-chiang Railway, was not announced until its completion. As late as November 1955 the exact route of the Ying-t'an--Amoy Railway had not yet been made public. Its primary value is military. The timely building of this railway will facilitate transportati